GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:2364
ANSWERED ON:04.12.2000
EXPENDITURE ON POWER GENERAITON .SHRI JAI PRAKASH
JAI PRAKASH

Will the Minister of POWER be pleased to state:

(a) the per megawatt expenditure on establishment of generation, transmission and distribution system of power at present;

(b) whether the Government propose to minimize investment on per megawatt expenditure prevailing at present; and

(c) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRIMATI JAYAWANTI MEHTA)

(a): The per megawatt expenditure on establishment of generation, transmission and distribution system of power at present is given below:

(i) Generation Projects:

Thermal Projects: The cost of setting up a thermal project would depend upon factors such as type of plant, type of fuel, unit size funding pattern and sources, equipment sourcing, scope of supply, infrastructure facilities and foreign exchange rate. The cost of thermal power plants accorded techno-economic clearance by Central Electricity Authority in the recent past varies from Rupees 4.05 crores per MW to Rs.

5.41 crores per MW in case of steam power plant. In case of combined cycle gas power plant, the cost varies from Rs 2.7 crores to Rs 3.63 crores per MW.

Hydro Projects: The cost of setting up hydro projects is type specific and varies with location and nature of development works involved. The cost of hydro stations varies from Rs 4 crores per MW to Rs 6.5 crores per MW of hydro plant for the recently cleared projects depending on region, location and type.

(ii) Transmission projects: The per megawatt expenditure for establishing a transmission system also varies from project to project depending upon distance of the generating station from the load centres. The expenditure on transmission system for a generating station located relatively close to the load centres could vary from Rs 30 lakhs per megawatt to Rs 60 lakhs per megawatt depending upon terrain etc. The expenditure in case of generating stations located at a distance of about 800 Km from load centres could be in the range of Rs 120 to 160 lakhs per megawatt. On average, the expenditure of an associated transmission system could be taken to be of the order of Rs 80 lakhs per megawatt at current price level.

(iii) Distribution System: Power distribution falls within the preview of State Power Utilities. According to the report of Rajyadhaksha Committee on Power (1980), constituted by Ministry of Power, a thumb rule for investment ratio of expenditure on generation, transmission, distribution and rural electrification should be 4:2:1:1.

(b) & (c) : The steps taken by the Government to minimize investment on per MW expenditure are given below:

1. Least cost option studies are carried out to select the type of fuel or type of hydro plant which will provide electricity at reasonable rates to the consumers.

2. In order to minimize requirement of investment in transmission system, the transmission network expansion planning is being done to evolve an optimal network both on a Regional as well as on an all India basis. This approach aims at maximizing the utilization of already existing network based on a long-term perspective plan.